

This Page Is Inserted by IFW Operations
and is not a part of the Official Record

BEST AVAILABLE IMAGES

Defective images within this document are accurate representations of the original documents submitted by the applicant.

Defects in the images may include (but are not limited to):

- BLACK BORDERS
- TEXT CUT OFF AT TOP, BOTTOM OR SIDES
- FADED TEXT
- ILLEGIBLE TEXT
- SKEWED/SLANTED IMAGES
- COLORED PHOTOS
- BLACK OR VERY BLACK AND WHITE DARK PHOTOS
- GRAY SCALE DOCUMENTS

IMAGES ARE BEST AVAILABLE COPY.

**As rescanning documents *will not* correct images,
please do not report the images to the
Image Problem Mailbox.**

RECORDATION FORM COVER SHEET

PATENTS ONLY

To the Honorable Assistant Commissioner for Patents: Please record the attached original documents or copy thereof

1. Name of conveying party(ies):
Applied Phytologics, Inc.
4110 North Freeway Boulevard
Sacramento, California 95834

Add'l names of conveying parties attached?
☐ Yes ☒ No

2. Name/address of receiving party:
Ventria Bioscience
4110 North Freeway Boulevard
Sacramento, California 95834

Add'l names of receiving parties attached? ☐ Yes ☒ No

3. Nature of conveyance: ☐ Assignment
☐ Merger ☐ Security Agreement ☐ Other
☒ Change of Name ☐ Reassignment

Date of execution: 04/18/02

5. Application number(s) and/or patent number(s):

If this document is being filed with a new application, the date of signature by the first named inventor was: _____

A. Patent Application No.(s)
09/847,232 filed on 9/18/01

Patent No.(s)
6,100,447 issued 2/12/98;
6,127,145 issued 2/13/98;
6,066,781 issued 2/13/98; and
6,284,956 issued 11/1/99

Additional numbers attached: ☐ Yes ☒ No

6. Name and address of party to whom correspondence concerning document should be mailed:

Perkins Coie LLP
P.O. Box 2168
Menlo Park, CA 94026
(650) 838-4300
Customer No. 22918

7. Total No. of applications and patents involved:
Five (5)

8. Total fee (37 CFR \$3.41): **\$200.00**

☒ Enclosed is a check in the amount of **\$200.00** for the fees due.

9. Total number of pages, including cover sheet, attachments and document: **34**

DO NOT USE THIS SPACE

10. Statement and signature:

To the best of my knowledge and belief, the foregoing information is true and correct and any attached copy is a true copy of the original document.

Peter J. Dehlinger
Name of Person Signing

Peter J. Dehlinger
Signature

10-3-03
Date

COPY

Attorney Docket No. 50665-8007.US00

IN THE UNITED STATES PATENT AND TRADEMARK OFFICE
CHANGE OF NAME IN RECORDED ASSIGNMENT

1. Particulars of assignments

A list of assignments recorded against patent applications and/or patents is set forth on the attached page.

2. Old name of assignee

The old name for the assignee as shown for the assignments on the attached page is:

Applied Phytologics, Inc.

3. New name of assignee

The new name of the assignee is

Ventria Bioscience

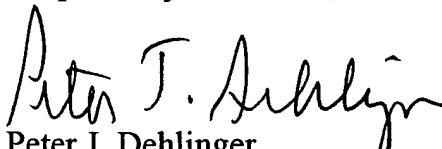
4. Proof of name change

Proof of assignee's change of name is established by the attached Certificate of the Secretary of State of California showing the name change.

5. Payment of Fee

Enclosed is a check for the fees due. The commissioner of patents is hereby authorized to charge any underpayment or credit any overpayment in fees to Deposit Account No. 50-2207.

Respectfully submitted,


Peter J. Dehlinger
Registration No. 28,006

Correspondence Address:
Customer No. 22918
Tel: 650 838-4300

Application No.	Filing Date	Patent No. (if applicable)	Assignment recorded on (date)	Reel	Frame
09/022,586	02/12/98	6,100,447	02/12/98	8998	0681
09/023,339	02/13/98	6,127,145	02/13/98	8978	0651
09/023,173	02/13/98	6,066,781	02/13/98	8988	0865
09/344,438	06/25/99	6,284,956	11/01/99	010343	0203
09/847,232	09/18/01	n/a			

COPY



SECRETARY OF STATE

I, *BILL JONES*, Secretary of State of the State of California, hereby certify:

That the attached transcript of 14 page(s) has been compared with the record on file in this office, of which it purports to be a copy, and that it is full, true and correct.



IN WITNESS WHEREOF, I execute this certificate and affix the Great Seal of the State of California this day of

SEP 05 2002

Bill Jones

Secretary of State

SEP 04 2002

AMENDED AND RESTATED ARTICLES OF INCORPORATION
OF
APPLIED PHYTOLOGICS, INC.

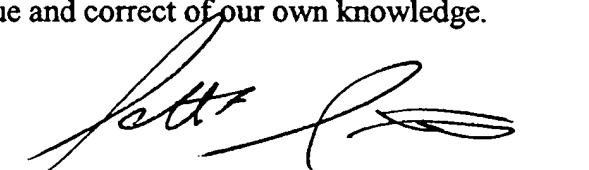
BILL JONES, Secretary of State

The undersigned certify that:

1. They are the President and Secretary, respectively, of Applied Phytologics, Inc., a California corporation, which by the attached amendment has changed its name to Ventria Bioscience.
2. The Articles of Incorporation of this corporation are amended and restated to read in full as set forth in Exhibit A attached hereto and incorporated herein by this reference.
3. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the board of directors.
4. The foregoing amendment and restatement of Articles of Incorporation has been duly approved by the required vote of shareholders in accordance with Section 902, California Corporations Code. The total number of outstanding shares of the corporation is 9,446,093. The number of shares voting in favor of the amendment equaled or exceeded the vote required. The percentage vote required was more than 50%.

We further declare under penalty of perjury under the laws of the State of California that the matters set forth in this certificate are true and correct of our own knowledge.

DATE: April 18, 2002



Scott E. Deeter, President



Terry D. Carlone, Secretary

EXHIBIT A

AMENDED AND RESTATED ARTICLES OF INCORPORATION OF APPLIED PHYTOLOGICS, INC.

The text of the Corporation's Articles of Incorporation is hereby amended and restated to read in its entirety as follows:

I

The name of this Corporation is "Ventria Bioscience".

II

The purpose of this corporation is to engage in any lawful act or activity for which a corporation may be organized under the General Corporation Law of California other than the banking business, the trust company business or the practice of a profession permitted to be incorporated by the California Corporations Code.

III

A. This Corporation is authorized to issue two classes of stock to be designated, respectively, Preferred Stock ("Preferred Stock") and Common Stock ("Common Stock"). The total number of shares of capital stock that this Corporation shall have authority to issue is thirty-five million (35,000,000). The total number of shares of Preferred Stock this Corporation shall have authority to issue is fifteen million (15,000,000). The total number of shares of Common Stock this Corporation shall have authority to issue is twenty million (20,000,000).

B. The Preferred Stock shall be divided into series. The first series shall consist of 343,555 shares and is designated "Series A Preferred Stock." The second series shall consist of 768,180 shares and is designated "Series B Preferred Stock." The third series shall consist of 1,615,627 shares and is designated "Series C Preferred Stock." The fourth series shall consist of 800,000 shares and is designated "Series D Preferred Stock." The fifth series shall consist of 346,000 shares and is designated "Series E Preferred Stock." The sixth series shall consist of 6,387,028 shares and is designated "Series F Preferred Stock." The seventh series shall consist of 3,000,000 shares and is designated "Series G Preferred Stock."

The remaining shares of Preferred Stock may be issued from time to time in one or more series. The Board of Directors of the Corporation (the "Board of Directors") is expressly authorized to provide for the issue of all or any of the remaining shares of the Preferred Stock in one or more series, and to fix the number of shares and to determine or alter for each such series, such voting powers, full or limited, or no voting powers, and such designations, preferences, and relative, participating, optional, or other rights and such qualifications, limitations, or restrictions thereof, as shall be stated and expressed in the resolution or resolutions adopted by the Board of

Directors providing for the issue of such shares (a "Preferred Stock Designation") and as may be permitted by the General Corporation Law of the State of California. The Board of Directors is also expressly authorized to increase or decrease (but not below the number of shares of such series then outstanding) the number of shares of any series subsequent to the issue of shares of that series. In case the number of shares of any such series shall be so decreased, the shares constituting such decrease shall resume the status that they had prior to the adoption of the resolution originally fixing the number of shares of such series.

C. The relative preferences, rights, privileges and restrictions, and other matters relating to the Series A, B, C, D, E, F and G Preferred Stock are as follows:

1. Dividends. The holders of outstanding Series A, B, C, D, E, F and G Preferred shall be entitled to receive in any fiscal year, when, if and as declared by the Board of Directors, out of any assets at the time legally available therefor, dividends in cash at the rate per share declared by the Board of Directors. Such dividends shall be payable, only when, as and if declared by the Board of Directors. The right to such dividends shall not be cumulative, and no right shall accrue to holders of Series A, B, C, D, E, F and G Preferred by reason of the fact that dividends on such shares were not declared in any prior year, nor shall any undeclared or unpaid dividends bear or accrue interest. Dividends may be declared or paid upon shares of Common Stock in any fiscal year of the Corporation only if dividends at the annual rates set forth above shall have been paid or declared and set apart upon all shares of Series A, B, C, D, E, F and G Preferred for such fiscal year. No dividend shall be declared or paid with respect to the Common Stock unless at the same time an equivalent dividend is declared or paid with respect to Series A, B, C, D, E, F and G Preferred. Any declared but unpaid dividends on Series A, B, C, D, E, F and G Preferred shall be paid upon the conversion of such shares into Common Stock either (at the option of the Corporation) by payment of cash or by the issuance of additional shares of Common Stock based upon the fair market value of the Common Stock at the time of conversion, as determined by the Board of Directors.

2. Liquidation Preference.

(a) In the event of any liquidation, dissolution or winding up of the Corporation, whether voluntary or involuntary (each a "Liquidation Event"), the holders of the Preferred Stock shall be entitled to receive, prior and in preference to any distribution of any of the assets or surplus funds of the Corporation to the holders of the Common Stock by reason of their ownership thereof, the amount of \$1.31 for Series A, \$0.85 for Series B, \$0.64 for Series C, \$1.50 for Series D and E, \$2.50 for Series F and \$1.00 for Series G, per share, (as adjusted for any stock dividends, combinations or splits with respect to such shares), respectively, plus all accrued but unpaid dividends on such share, for each share of Series A, B, C, D, E, F and G Preferred Stock then held by them (the "Preference Amount"). The Series A, B, C, D, E, F and G Preferred Stock shall rank on a parity as to the receipt of the respective preferential amounts for each such series upon the occurrence of such event. If upon the occurrence of such event, the assets and funds thus distributed among the holders of the Series A, B, C, D, E, F and G Preferred Stock shall be insufficient to permit the payment to such holders of the full aforesaid preferential amount, then the entire assets and funds of the Corporation legally available for

distribution shall be distributed ratably among the holders of the Series A, B, C, D, E, F and G Preferred Stock in proportion to the preferential amount each such holder is otherwise entitled to receive.

(b) After payment has been made to the holders of the Preferred Stock of the full Preference Amounts set forth in Section C.2(a) above and any other distribution that may be required with respect to series of Preferred Stock that may from time to time come into existence, the entire remaining assets and funds of the Corporation legally available for distribution, if any, shall be distributed among the holders of the Common Stock and the Series A through G Preferred Stock in proportion to the shares of Common Stock then held by them and the shares of Common Stock which they then have the right to acquire upon conversion of the shares of Series A through G Preferred Stock held by them.

(c) Whenever the distribution provided for in this Section C.2 shall be payable in securities or property other than cash, the value of such distribution shall be the fair market value of such securities or other property as determined in good faith by the Board of Directors.

3. Redemption.

(a) The Preferred Stock is not redeemable.

(b) Notwithstanding Sections C.2(a) and C.2(b) hereof, the Corporation may at any time, out of funds legally available therefor, repurchase shares of Common Stock of the Corporation issued to or held by employees, officers, directors or consultants of the Corporation or its subsidiaries upon termination of their employment or services, pursuant to any agreement providing for such right of repurchase.

4. Voting Rights. Each holder of shares of the Preferred Stock shall be entitled to the number of votes equal to the number of shares of Common Stock into which such shares of Preferred Stock could be converted and shall have voting rights and powers equal to the voting rights and powers of the Common Stock (except as otherwise expressly provided herein or as required by law, voting together with the Common Stock as a single class) and shall be entitled to notice of any stockholders' meeting in accordance with the Bylaws of the Corporation. Fractional votes shall not, however, be permitted and any fractional voting rights resulting from the above formula (after aggregating all shares into which shares of Preferred Stock held by each holder could be converted) shall be rounded to the nearest whole number (with one-half being rounded upward). Each holder of Common Stock shall be entitled to one (1) vote for each share of Common Stock held.

5. Conversion. The holders of the Preferred Stock shall have conversion rights as follows (the "Conversion Rights"):

(a) Right to Convert.

(i) Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$1.31 by the Series A Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall initially be deliverable upon conversion of shares of the Series A Preferred Stock (the "Series A Conversion Price") shall be \$1.31 per share of Common Stock. Such initial Series A Conversion Price shall be adjusted as hereinafter provided.

(ii) Each share of Series B Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$0.85 by the Series B Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series B Preferred Stock (the "Series B Conversion Price") shall initially be \$0.85 per share of Common Stock. Such initial Series B Conversion Price shall be adjusted as hereinafter provided.

(iii) Each share of Series C Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$0.64 by the Series C Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series C Preferred Stock (the "Series C Conversion Price") shall initially be \$0.64 per share of Common Stock. Such initial Series C Conversion Price shall be adjusted as hereinafter provided.

(iv) Each share of Series D Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$1.50 by the Series D Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series D Preferred Stock (the "Series D Conversion Price") shall initially be \$1.50 per share of Common Stock. Such initial Series D Conversion Price shall be adjusted as hereinafter provided.

(v) Each share of Series E Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and

nonassessable shares of Common Stock as is determined by dividing \$1.50 by the Series E Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series E Preferred Stock (the "Series E Conversion Price") shall initially be \$1.50 per share of Common Stock. Such initial Series E Conversion Price shall be adjusted as hereinafter provided.

(vi) Each share of Series F Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$1.00 by the Series F Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series F Preferred Stock (the "Series F Conversion Price") shall initially be \$1.00 per share of Common Stock. Such initial Series F Conversion Price shall be adjusted as hereinafter provided.

(vi) Each share of Series G Preferred Stock shall be convertible, at the option of the holder thereof, at any time after the date of issuance of such share, at the office of the Corporation or any transfer agent for such stock, into such number of fully paid and nonassessable shares of Common Stock as is determined by dividing \$1.00 by the Series G Conversion Price applicable to such share, determined as hereinafter provided, in effect on the date the certificate is surrendered for conversion. The price at which shares of Common Stock shall be deliverable upon conversion of shares of the Series G Preferred Stock (the "Series G Conversion Price") shall initially be \$1.00 per share of Common Stock. Such initial Series G Conversion Price shall be adjusted as hereinafter provided.

(b) Automatic Conversion. Each share of Preferred Stock shall automatically be converted into shares of Common Stock at the then-effective Conversion Price for each Series, respectively, upon the earlier, as to each Series, of (i) the date specified by vote or written consent or agreement of holders of more than fifty percent (50%) of the shares of such series then outstanding, or (ii) immediately upon the closing of the sale of the Corporation's Common Stock in a firm commitment, underwritten public offering registered under the Securities Act of 1933, as amended (the "Securities Act"), other than a registration relating solely to a transaction under Rule 145 under such Act (or any successor thereto) or to an employee benefit plan of the Corporation, for a total offering price (prior to payment of underwriting commissions and offering expenses) of not less than \$10,000,000 in the aggregate.

(c) Mechanics of Conversion.

(i) Before any holder of Preferred Stock shall be entitled to convert the same into shares of Common Stock, he shall surrender the certificate or certificates therefor, duly endorsed, at the office of the Corporation or of any transfer agent for such stock, and shall give written notice to the Corporation at such office that he elects to convert the same and shall state therein the name or names in which he wishes the certificate or certificates for shares of Common Stock to be issued. The Corporation shall, as soon as practicable thereafter, issue and deliver at such office to such holder of Preferred Stock, a certificate or certificates for the number of shares of Common Stock to which he shall be entitled as aforesaid. Such conversion shall be deemed to have been made immediately prior to the close of business on the date of surrender of the shares of Preferred Stock to be converted, and the person or persons entitled to receive the shares of Common Stock issuable upon such conversion shall be treated for all purposes as the record holder or holders of such shares of Common Stock on such date.

(ii) If the conversion is in connection with an underwritten offering of securities pursuant to the Securities Act, the conversion may, at the option of any holder tendering shares of Preferred Stock for conversion, be conditioned upon the closing with the underwriters of the sale of securities pursuant to such offering, in which event the person(s) entitled to receive the Common Stock upon conversion of the Preferred Stock shall not be deemed to have converted such Preferred Stock until immediately prior to the closing of such sale of securities.

(d) Adjustment to Series F and G Conversion Price for Certain Diluting Issues.

(i) Special Definitions. For purposes of this Section C.5(d), the following definitions apply:

(1) "Options" shall mean rights, options, or warrants to subscribe for, purchase or otherwise acquire Common Stock, Series A, B, C, D, E, F and G Preferred Stock, or Convertible Securities (defined below).

(2) "Original Issue Date" shall mean the date on which a share of Series F or G Preferred Stock was first issued.

(3) "Convertible Securities" shall mean any evidences of indebtedness, shares (other than Common Stock and Series A, B, C, D, E, F and G Preferred Stock) or other securities convertible into or exchangeable for Common Stock.

(4) "Additional Shares of Common Stock" shall mean all shares of Common Stock issued (or, pursuant to Section C.5(d)(iii), deemed to be issued) by the Corporation after the Original Issue Date, other than shares of Common Stock issued or issuable:

(A) upon conversion of shares of Series A, B, C, D, E, F or G Preferred Stock;

(B) to officers, directors or employees of, or consultants to, the Corporation pursuant to stock option or stock purchase plans or agreements on terms approved by the Board of Directors.

(C) as a dividend or distribution on Series A, B, C, D, E, F or G Preferred Stock;

(D) upon exercise or conversion of outstanding options or warrants, respectively;

(E) in connection with a merger or acquisition of which the Corporation is a party;

(F) in connection with a loan, lease or other commercial transaction with a bank, lending institution, or equipment lessor; or

(G) for which adjustment of the Series A, B, C, D, E, F or G Conversion Price is made pursuant to Section C.5(e).

(ii) No Adjustment of Conversion Price. Any provision herein to the contrary notwithstanding, (1) no adjustment to the Conversion Price for the Series A, B, C, D E, F or G Preferred Stock shall be made for any Additional Shares of Common Stock issued or deemed to be issued pursuant to this Section C.5(d) (or any other diluting issue or adjustment described in this Section C.5(d)), (2) no adjustment to the Conversion Price for the Series F or G Preferred Stock shall be made for any Additional Shares of Common Stock issued or deemed to be issued pursuant to this Section C.5(d) (or any other dilutive issue or adjustment described in this Section C.5(d)) on or after March 1, 2003, and (3) no adjustment in the Conversion Price for a series of Preferred Stock shall be made in respect of the issuance of Additional Shares of Common Stock unless the consideration per share (determined pursuant to Section C.5(d)(v) hereof) for an Additional Share of Common Stock issued or deemed to be issued by the Corporation is less than the Conversion Price for such series of Preferred Stock in effect on the date of, and immediately prior to, such issue.

(iii) Deemed Issue of Additional Shares of Common Stock. With respect to the Series F or G Preferred Stock, in the event the Corporation at any time after the Original Issue Date and prior to March 1, 2003 shall issue any Options or Convertible Securities or shall fix a record date for the determination of holders of any class of securities then entitled to receive any such Options or Convertible Securities, then the maximum number of shares (as set forth in the instrument relating thereto without regard to any provisions contained therein designed to protect against dilution) of Common Stock issuable upon the exercise of such Options or, in the case of Convertible Securities and Options for Convertible Securities or for Series A, B, C, D, E, F or G Preferred Stock, the conversion or exchange of such Convertible

Securities or Series A, B, C, D, E, F or G Preferred Stock, shall be deemed to be Additional Shares of Common Stock (unless otherwise excluded from the definition of Additional Shares of Common Stock as described in Section C.5(d)(i)(4)) issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date, provided that in any such case in which Additional Shares of Common Stock are deemed to be issued:

(1) no further adjustments in the Series F or G Conversion Price shall be made upon the subsequent issue of such Convertible Securities, or Series A, B, C, D, E, F or G Preferred Stock or shares of Common Stock upon the exercise of such Options or conversion or exchange of such Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock;

(2) if such Options or Convertible Securities by their terms provide, with the passage of time or otherwise, for any increase or decrease in the consideration payable to the Corporation, or decrease or increase in the number of shares of Common Stock issuable, upon the exercise, conversion or exchange thereof, the Series F or G Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon any such increase or decrease becoming effective (and provided such increase or decrease becomes effective prior to March 1, 2003), be recomputed to reflect such increase or decrease insofar as it affects such Options or the rights of conversion or exchange under such Convertible Securities (provided, however, that no such adjustment of the Series F or G Conversion Price shall affect Common Stock previously issued upon conversion of the Series A, B, C, D, E, F or G Preferred Stock);

(3) upon the expiration of any such Options or any rights of conversion or exchange under such Convertible Securities which shall not have been exercised, the Series A, B, C, D, E, F or G Conversion Price computed upon the original issue thereof (or upon the occurrence of a record date with respect thereto), and any subsequent adjustments based thereon, shall, upon such expiration, be recomputed as if:

(A) in the case of Convertible Securities or Options for Common Stock the only Additional Shares of Common Stock issued were the shares of Common Stock, if any, actually issued upon the exercise of such Options or the conversion or exchange of such Convertible Securities and the consideration received therefor was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration actually received by the Corporation upon such exercise, or for the issue of all such Convertible Securities which were actually converted or exchanged, plus the additional consideration, if any, actually received by the Corporation upon such conversion or exchange; and

(B) in the case of Options for Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock only the Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock, if any, actually issued upon the exercise thereof were issued at the time of issue of such Options, and the consideration received by the Corporation for the

Additional Shares of Common Stock deemed to have been then issued was the consideration actually received by the Corporation for the issue of all such Options, whether or not exercised, plus the consideration deemed to have been received by the Corporation (determined pursuant to Section C.5(d)) upon the issue of the Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock with respect to which such Options were actually exercised;

(4) no readjustment pursuant to clause (2) or (3) above shall have the effect of increasing the Series F or G Conversion Price to an amount which exceeds the lower of (a) the Series F or G (as applicable) Conversion Price on the original adjustment date, or (b) the Series F or G (as applicable) Conversion Price that would have resulted from any issuance of Additional Shares of Common Stock between the original adjustment date and such readjustment date;

(5) in the case of any Options which expire by their terms not more than 30 days after the date of issue thereof, no adjustment of the Series F or G Conversion Price shall be made until the expiration or exercise of all such Options, whereupon such adjustment shall be made in the same manner provided in clause (3)

(iv) Adjustment of Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event this Corporation, at any time after the Original Issue Date and prior to March 1, 2003, shall issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Section C.5(d)(iii)) without consideration or for a consideration per share less than the Series F or G Conversion Price with respect to the Series F or G Preferred Stock in effect on the date of and immediately prior to such issue, then and in such event, the Series F or G Conversion Price for the Series F or G Preferred Stock shall be reduced, concurrently with such issue, to a price (calculated to the nearest cent) determined by multiplying such Series F or G Conversion Price by a fraction, the numerator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of shares of Common Stock which the aggregate consideration received by the Corporation for the total number of Additional Shares of Common Stock so issued would purchase at such Conversion Price in effect immediately prior to such issuance, and the denominator of which shall be the number of shares of Common Stock outstanding immediately prior to such issue plus the number of such Additional Shares of Common Stock so issued. For the purpose of the above calculation, the number of shares of Common Stock outstanding immediately prior to such issue shall be calculated on a fully diluted basis, as if all shares of Series A, B, C, D, E, F or G Preferred Stock and all Convertible Securities had been fully converted into shares of Common Stock immediately prior to such issuance and any outstanding warrants, options or other rights for the purchase of shares of stock or convertible securities had been fully exercised immediately prior to such issuance (and the resulting securities fully converted into shares of Common Stock, if so convertible) as of such date, but not including in such calculation any additional shares of Common Stock issuable with respect to shares of Series A, B, C, D, E, F or G Preferred Stock, Convertible Securities, or outstanding options, warrants or other rights for the purchase of shares of stock or convertible securities, solely as a result of the adjustment of the respective Conversion Prices (or other

conversion ratios) resulting from the issuance of the Additional Shares of Common Stock causing the adjustment in question.

(v) Determination of Consideration. For purposes of this Section C.5(d), the consideration received by the Corporation for the issue of any Additional Shares of Common Stock shall be computed as follows:

(1) Cash and Property. Such consideration shall:

(A) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation excluding amounts paid or payable for accrued interest or accrued dividends;

(B) insofar as it consists of property other than cash, be computed at the fair value thereof at the time of such issue, as determined in good faith by the Board of Directors; and

(C) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (A) and (B) above, as determined in good faith by the Board of Directors.

(2) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Section C.5(d)(iii), relating to Options and Convertible Securities shall be determined by dividing:

(A) the total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against dilution) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock, the exercise of such Options for Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock and the conversion or exchange of such Convertible Securities or Series A, B, C, D, E, F or G Preferred Stock by

(B) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein designed to protect against the dilution) issuable upon the exercise of such Options or conversion or exchange of such Convertible Securities.

(e) Adjustments to Conversion Prices for Stock Dividends and for Combinations or Subdivisions of Common Stock. In the event that this Corporation at any time or from time to time after the Original Issue Date shall declare or pay, without consideration, any

dividend on the Common Stock payable in Common Stock or in any right to acquire Common Stock for no consideration, or shall effect a subdivision of the outstanding shares of Common Stock into a greater number of shares of Common Stock (by stock split, reclassification or otherwise than by payment of a dividend in Common Stock or in any right to acquire Common Stock), or in the event the outstanding shares of Common Stock shall be combined or consolidated, by reclassification or otherwise, into a lesser number of shares of Common Stock, then the Conversion Price for any series of Preferred Stock in effect immediately prior to such event shall, concurrently with the effectiveness of such event, be proportionately decreased or increased, as appropriate. In the event that this Corporation shall declare or pay, without consideration, any dividend on the Common Stock payable in any right to acquire Common Stock for no consideration, then the Corporation shall be deemed to have made a dividend payable in Common Stock in an amount of shares equal to the maximum number of shares issuable upon exercise of such rights to acquire Common Stock.

(f) Adjustments for Reclassification and Reorganization. If the Common Stock issuable upon conversion of the Series A, B, C, D, E, F or G Preferred Stock shall be changed into the same or a different number of shares of any other class or classes of stock, whether by capital reorganization, reclassification or otherwise (other than a subdivision or combination of shares provided for in Section C.5(e) above or a merger or other reorganization referred to in Section C.2(d) above), the Series A, B, C, D, E, F and G Conversion Price then in effect shall, concurrently with the effectiveness of such reorganization or reclassification, be proportionately adjusted so that the Series A, B, C, D, E, F and G Preferred Stock shall be convertible into, in lieu of the number of shares of Common Stock which the holders would otherwise have been entitled to receive, a number of shares of such other class or classes of stock equivalent to the number of shares of Common Stock that would have been subject to receipt by the holders upon conversion of the Series A, B, C, D, E, F and G Preferred Stock immediately before that change.

(g) No Impairment. The Corporation will not, by amendment of its Articles of Incorporation or through any reorganization, transfer of assets, consolidation, merger, dissolution, issue or sale of securities or any other voluntary action, avoid or seek to avoid the observance or performance of any of the terms to be observed or performed hereunder by the Corporation, but will at all times in good faith assist in the carrying out of all the provisions of this Section C.5 and in the taking of all such action as may be necessary or appropriate in order to protect the Conversion Rights of the holders of the Series A, B, C, D, E, F and G Preferred Stock against impairment.

(h) Certificates as to Adjustments. Upon the occurrence of each adjustment or readjustment of any Conversion Price pursuant to this Section C.5, the Corporation at its expense shall promptly compute such adjustment or readjustment in accordance with the terms hereof and prepare and furnish to each holder of Series A, B, C, D, E, F or G Preferred Stock a certificate executed by the Corporation's President or Chief Financial Officer setting forth such adjustment or readjustment and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, upon the written request at any time of any holder of Series A, B, C, D, E, F or G Preferred Stock, furnish or cause to be

furnished to such holder a like certificate setting forth (i) such adjustments and readjustments, (ii) the Conversion Price for such series of Preferred Stock at the time in effect, and (iii) the number of shares of Common Stock and the amount, if any, of other property which at the time would be received upon the conversion of the Series A, B, C, D, E, F or G Preferred Stock.

(i) Notices of Record Date. In the event that the Corporation shall propose at any time: (i) to declare any dividend or distribution upon its Common Stock, whether in cash, property, stock or other securities, whether or not a regular cash dividend and whether or not out of earnings or earned surplus; (ii) to offer for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (iii) to effect any reclassification or recapitalization of its Common Stock outstanding involving a change in the Common Stock, or (iv) to merge or consolidate with or into any other corporation, or sell, lease or convey all or substantially all of its assets, or to liquidate, dissolve or wind up; then, in connection with each such event, the Corporation shall send to the holders of Series A, B, C, D, E, F or G Preferred Stock:

(1) at least ten (10) days' prior written notice of the date on which a record shall be taken for such dividend, distribution or subscription rights (and specifying the date on which the holders of Common Stock shall be entitled thereto) or for determining rights to vote, if any, in respect of the matters referred to in (iii) and (iv) above; and

(2) in the case of the matters referred to in (iii) and (iv) above, at least ten (10) days' prior written notice of the date when the same shall take place (and specifying the date on which the holders of Common Stock shall be entitled to exchange their Common Stock for securities or other property deliverable upon the occurrence of such event).

(j) Issue Taxes. The Corporation shall pay any and all issue and other taxes that may be payable in respect of any issue or delivery of shares of Common Stock on conversion of Series A, B, C, D, E, F and G Preferred Stock pursuant hereto; provided, however, that the Corporation shall not be obligated to pay any transfer taxes resulting from any transfer requested by any holder in connection with any such conversion.

(k) Reservation of Stock Issuable Upon Conversion. The Corporation shall at all times reserve and keep available out of its authorized but unissued shares of Common Stock, solely for the purpose of effecting the conversion of the shares of the Series A, B, C, D, E, F and G Preferred Stock, such number of its shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding shares of the Series A, B, C, D, E, F and G Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A, B, C, D, E, F and G Preferred Stock, the Corporation will take such corporate action as may, in the opinion of its counsel, be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purpose, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to these Articles.

(l) Fractional Shares. No fractional share shall be issued upon the conversion of any share or shares of Preferred Stock. All shares of Common Stock (including fractions thereof) issuable upon Conversion of more than one share of Series A, B, C, D, E, F or G Preferred Stock by a holder thereof shall be aggregated for purposes of determining whether the conversion would result in the issuance of any fractional share. If, after the aforementioned aggregation, the conversion would result in the issuance of a fraction of a share of Common Stock the Corporation shall, in lieu of issuing any fractional share, pay the holder otherwise entitled to such fraction a sum in cash equal to the fair market value of such fraction on the date of conversion (as determined in good faith by the Board of Directors).

(m) Notices. Any notice required by the provisions of this Section C.5 to be given to the holders of shares of Preferred Stock shall be deemed given if deposited in the United States mail, postage prepaid, or if sent by facsimile or delivered personally by hand or nationally recognized courier and addressed to each holder of record at such holder's address or facsimile number appearing in the records of the Corporation.

6. Increasing Common Stock. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares of Common Stock then outstanding) by an affirmative vote of the holders of a majority of the outstanding shares of stock of the Corporation.

IV

This corporation is authorized to provide indemnification of agents (as defined in Section 317 of the California Corporations Code) through bylaw provisions, agreements with agents, vote of shareholders or disinterested directors or otherwise, in excess of the indemnification otherwise permitted by Section 317 of the California Corporations Code, subject only to the applicable limits set forth in Section 204 of the California Corporations Code with respect to actions for breach of duty to the corporation and its shareholders.

V

The liability of the directors of the corporation for monetary damages shall be eliminated to the fullest extent permissible under California law.

